Manitoba

Annual Report 1998 - 1999

Consumer and Corporate Affairs

Includes 15% post-consumer waste

106-03271/

Manitoba

Annual Report 1998 - 1999

Consumer and Corporate Affairs

Minister of
Consumer and Corporate Affairs

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

The Honourable Peter Liba
Lieutenant Governor of Manitoba

May It Please Your Honour:

I have the privilege of presenting for the information of Your Honour, the Annual Report of the Department of Consumer and Corporate Affairs for the fiscal year ending March 31, 1999.

Respectfully submitted,

Shirley Render
Minister
Consumer and Corporate Affairs

Pan American Games
Winnipeg '99
Jeux Panamericains
Jogos Panamericanos

Manitoba

Deputy Minister of
Consumer and Corporate Affairs

Winnipeg, Manitoba, CANADA
R3C 0V8

Honourable Shirley Render
Minister
Consumer and Corporate Affairs

Minister:

I am pleased to submit for your approval the Annual Report for the Department of Consumer and Corporate Affairs for the fiscal year ending March 31, 1999.

Legislation in two significant areas was developed over the year. *The Life Leases Act* received Royal Assent on June 29, 1998. This legislation is the first of its kind in Canada. The Act will protect life lease tenants through required disclosure of information and requirements related to the use and holding of funds contributed by tenants. As well, amendments to *The Residential Tenancies Act* were made so that the Act applies more effectively to life leases. During the year, work began on the development of the Regulations. A Working Group representing landlords, tenants, lawyers, service clubs, developers, lenders and trustees provided valuable input in the development of the Act and continues to provide input in the development of the Regulations.

After extensive consultation, a new and progressive *Cooperatives Act* was developed, receiving Royal Assent on June 29, 1998. The regulations were developed during the year in preparation for proclamation of the Act. The new Act will better enable co-operatives to compete on a level footing with other business structures. The new Act also facilitates the development of "new generation co-operatives". It is anticipated that new generation co-operatives will play a significant role in establishing value-added processing facilities for agricultural products in the Province.

Technology initiatives were also a significant focus during the year as the Department prepared for the implementation of the Desktop Management Initiative and the government's new SAP accounting software. Work continued to ensure that the Department is Y2K ready. New Y2K compliance systems were implemented in the Manitoba Securities Commission and the Vital Statistics Agency. Staff of The Property Registry and the Companies Office continued to work towards enhanced client service under the Better Systems Initiative.

With the computerization of the Dauphin and Neepawa Land Titles Offices, all six Land Titles Offices have now implemented the electronic land titles system, under which clients can use their personal computer to search land titles information seven days a week, both during and outside regular business hours.

I would like to thank staff of the Department for their continued commitment and dedication to the work of the Department and service excellence as well as their willingness to embrace change.

Respectfully submitted,

M. Alexandra Morton, Q. C.

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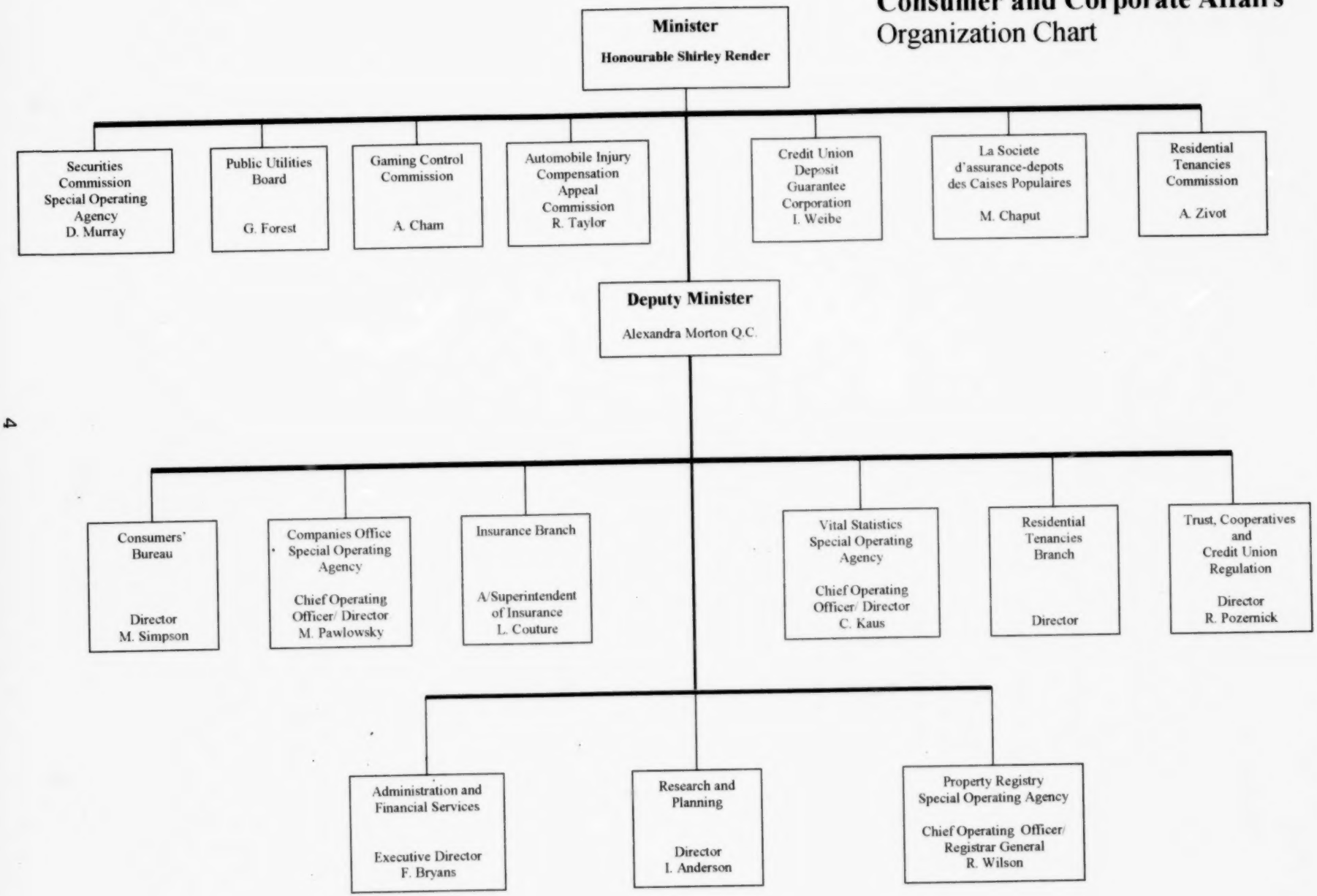
Consumer and Corporate Affairs
Organization Chart



Vision, Mission and Goals

Vision:
A fair, efficient and informed marketplace for businesses and consumers.

Mission:
To foster business and consumer confidence in the marketplace and to administer a regulatory framework that contributes to a competitive Manitoba economy.

Goals:
- Contribute to a dynamic Manitoba economy by creating certainty in the marketplace through the administration of a legal and policy framework within which business, non-profit organizations and consumers can operate
- Maintain registries information for protection of individual and property rights
- Assist businesses and consumers in resolving disputes
- Provide quality service and responsible use of fiscal resources and collection of fee and tax revenue
- Determine fees for service from utilities
- Promote and enhance consumer and business knowledge and skills
- Anticipate, identify and monitor marketplace issues and recommend appropriate action

Legislation Administered

Administrative Services
The Manitoba Evidence Act – Parts II and III
The Professional Home Economists Act

Companies Office
The Business Names Registration Act
The Corporations Act
The Partnership Act
The Religious Societies' Lands Act

Consumers' Bureau
Bedding, Upholstered and Stuffed Articles Regulation of The Public Health Act
The Charities Endorsement Act
The Consumer Protection Act
The Hearing Aid Act and Regulation
The Personal Investigations Act
The Business Practices Act

Deputy Minister
The Embalmers and Funeral Directors Act
The Trade Practices Inquiry Act

Gaming Control Commission
The Gaming Control Act

Insurance
The Insurance Act
The Insurance Corporations Tax Act
The Marine Insurance Act

Manitoba Securities Commission
The Commodity Futures Act
The Mortgage Dealers Act
The Real Estate Brokers Act
The Securities Act

Property Rights
The Titles to Certain Lands Act
The Condominium Act (sections e, 3 with respect to division of land, 4, 5 with respect to registration requirements 6 and subsection 7(1)
The Hudson's Bay Company Land Register Act
The Real Property Act
The Personal Property Security Act
The Registry Act
The Revenue Act – Part III (land transfer tax)
The Special Survey Act
The Surveys Act (Part 1)

Public Utilities Board
The Cemeteries Act
The Prearranged Funeral Services Act
The Public Utilities Board Act
The Gas Pipe Line Act

Residential Tenancies
The Residential Tenancies Act
The Condominium Act as it Relates to Tenancies

Trust, Cooperatives & Credit Union Regulations
The Cooperatives Act
The Corporations Act – Part 24
The Credit Unions and Caisses Populaires Act

Vital Statistics
The Vital Statistics Act
The Marriage Act
The Changes of Name Act

ADMINISTRATION AND FINANCE

Administrative Services

Administration and Financial Services is a core component of departmental operations ensuring the best use of the department's fiscal, human and physical resources. These services are also provided to the Legislative Assembly.

Administrative and Financial Services administers Parts 2 and 3 of the Manitoba Evidence Act which govern the appointment of Commissioners for Oaths and Notaries Public.

Mandate:

Administrative and Financial Services provides support services and centralized coordination of financial, administrative and systems functions for the department.

Objectives:

- provide consultative assistance, reliable advice, accurate legislative and background information, to the Executive and Managers on priority department-wide issues and initiatives.

- review and recommend changes in department and branch organization to ensure that reporting relationships are structured on the basis of responsibility and accountability, efficiency and effectiveness

- review and recommend changes in the administration and delivery of branch systems

- provide department comptrollership by ensuring that funds are properly collected, spent and accounted for

Goals

- actively participate in the department's decision-making by providing expertise, input and advice, and assist the department in the effective and efficient use of its resources
- oversee and assist the department in the collection of fee and tax revenue
- ensure accountable and responsible fiscal management
- maintain and communicate information on government-wide and department-wide policies, provide direction, interpretation, ongoing support and make recommendations to senior management
- license commissioners for oaths and notaries public and maintain a registry of appointments
- coordinate insurance licensing appeal hearings

Activities

Budgeting: preliminary Estimates, integration of Treasury Board estimates decisions, preparation of printed Estimates, Estimates Supplement, quarterly cashflow forecasts, monthly commitment reports, budget and expenditure explanations as necessary, monitoring and reporting variances

Commissioner for Oaths and Notary Public: appointments and renewal certificates, maintain registry, collect revenue, provide information to public, authentication of notary public seals and signatures, establish and manage electronic message line

Freedom of Information: recording and tracking requests, interpretation of legislation, research and respond to applicant, completion of quarterly reports

French Language Services: coordinate, communicate, and monitor implementation of the department's French Language Services plan

Insurance Licensing Appeals: coordinate hearings, advise Board, maintain precedents, develop and maintain procedures, provide information

Risk Management: coordinate and prepare department capital equipment and building inventory, identify special risks, provide advice to program managers

General Administration: travel requests, internal audit, office space requirements, telephone directory listings, arrange contracts

Advice and Consultation: on new and ongoing initiatives, policies, procedures, and programs.

MANITOBA EVIDENCE ACT (Notary Public/Commissioner for Oaths)	1998/99	1997/98
New Appointments	1,952	1,577
Renewal of Appointments	4,491	4,643
Authentication of Appointments	1,054	945

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
1(c) Administrative Services	FTE	$	FTE	$	$	
Total Salaries Other Expenditures	13.28	470.5 150.2	13.28	526.8 162.4	(56.3) (12.2)	1
Sub-Total	13.28	620.7	13.28	689.2	(68.5)	
Recoveries		(181.5)		(181.5)	0.0	
Total Expenditures	13.28	439.2	13.28	507.7	(68.5)	

Explanation:

1. Under expenditure as a result of staff turnover and secondments from systems to the Better Systems Initiative (BSI)

Research and Planning

The function of Research and Planning is to provide research and analysis services to the Department.

Activities include:

- investigating marketplace issues and assessing alternative responses to them;
- coordinating the development of legislation and other responses to marketplace problems;
- formulating action proposals for submission to Cabinet;
- assessing the need for new or amended legislation;
- reviewing legislation and programs of other jurisdictions;
- data collection and analysis;
- liaising with consumer oriented groups, representatives of the business sector, and government officials; and
- coordinating development of the Department's Business Plan.

During the 1998/99 year, Research and Planning together with the Residential Tenancies Branch and Manitoba Housing developed legislation regarding life lease rental housing. *The Life Leases and Consequential Amendments Act* was passed in June of 1998. When proclaimed, it will require life lease projects to take several steps to protect tenants' funds and to provide sufficient information to tenants to enable them to make informed decisions about entering into or remaining in life leases. The Act will also make several amendments to *The Residential Tenancies Act* to make that Act apply more effectively to life leases.

Much of Research and Planning's resources for 1998/99 were allocated to the development of several regulations of *The Life Leases And Consequential Amendments Act*. This was done in conjunction with the Residential Tenancies Branch and Manitoba Housing. Development of the regulations involved extensive consultations with various stakeholders. It also involved several meetings with a working group representing tenants, landlords, lenders, lawyers, developers, trust companies and service club sponsors.

Throughout the year, the Branch provided senior management with information on a variety of issues. Some of these issues pertained to: reverse mortgages, electronic commerce, food prices in northern Manitoba, franchising, and Alberta's Fair Trading Act.

Research and Planning also provided senior management with information regarding gasoline prices in Manitoba and other parts of Canada.

The Branch coordinated the development of the Department's 1999/2000 Business Plan. This involved several planning sessions with senior management and the business plan coordinators of the branches. This was the second time the Department developed a formal plan. The process is proving to be very effective for identifying priority issues, making the best use of Departmental resources and ensuring that clients' needs are being met.

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
1(d) Research & Planning	FTE	$	FTE	$	$	
Total Salaries Other Expenditures	3.00	155.0 22.3	3.00	160.1 27.2	(5.1) (4.9)	
Sub-Total	3.00	177.3	3.00	187.3	(10.0)	
Recoveries		0.0		0.0	0.0	
Total Expenditures	3.00	177.3	3.00	187.3	(10.0)	

CONSUMER AFFAIRS

Consumers' Bureau

Functions of the Consumers' Bureau

The purpose of the Consumers' Bureau is to provide programs in support of Manitoba consumers and businesses, and to:

- Administer the statutes that are the responsibility of the Bureau.
- Licence/register/grant certifications or authorizations to vendors and individual sellers engaged in direct selling; collection agencies and collectors; hearing aid dealers; charities which solicit for charitable purposes in Manitoba; and manufacturer/renovators of stuffed articles.
- Provide a medium for the hearing, investigating and mediating of consumer complaints.
- Take action as appropriate concerning prosecution of offenders under the Acts administered.
- Identify problems and issues in the marketplace and make recommendations to amend legislation under its mandate as required.
- To inform and educate consumers, businesses, service groups, consumer groups and student organizations regarding their rights and responsibilities in the marketplace.
- Consult with other departments, agencies and organizations in Manitoba and nation wide on current issues.

The Consumers' Bureau administers the following Acts:

- The Business Practices Act
- The Consumer Protection Act
- The Personal Investigations Act
- The Bedding, Upholstered and Stuffed Articles Regulation of the Public Health Act
- The Charities Endorsement Act
- The Hearing Aid Act

In the administration of the Acts stated above, the Bureau operates in five main areas:

- Dispute resolution
- Licensing and registration
- Special investigations
- Information/education
- Administration/legislative review

While each program represents a group of activities with a common objective, all staff are involved in all areas. As an example, everyone provides information/education to clients. Similarily, all staff offer input and effort resulting in recommendations to make changes in legislation.

Dispute Resolution

The dispute resolution program provides an important tool in monitoring the ever changing marketplace. Problems are often reported to the Consumers' Bureau in the form of a complaint or inquiry. In response, the Bureau provides a forum for mediating complaints involving retail transactions of goods and services, financing contracts, collection practices, advertising, and credit reporting.

Dispute resolution officers consider rights and responsibilities on both sides of transactions as well as relevant legislation when helping the parties to come to an agreement. Dispute resolution may include Bureau assistance to consumers and businesses in making claims against the bonds of licensed vendors or collection agents. This may arise after a business failure.

In addition to legislation administered by the Bureau, officers must have knowledge of other statutes such as *The Garage Keepers Act, The Builders Lien Act, The Repair Shops Act* and *The Sale of Goods Act,* that may be used in the dispute resolution process.

In 1998/99, the Consumers' Bureau handled 38,714 telephone inquiries and e-mail inquiries from consumers and businesses requesting assistance. Often, disputes are resolved over the phone by Consumers' Bureau staff without necessitating a written complaint to the Bureau.

The number of complaints registered with the Bureau varies from year to year. In 1998/99, 1,639 written complaints were handled. Automotive related complaints and home improvement complaints continued to register the highest numbers during 1998/99. The Consumers' Bureau obtained cash settlements or adjustments for consumers totaling over ½ million dollars ($534,161.43). The Consumers' Bureau has a good record of success in resolving disputes and is striving to maintain a high standard through fair and accurate application of knowledge of contracts and relevant legislation and skill in conflict resolution.

Consumer services officers handling complaints may identify breaches of consumer protection statutes, unfair business practices in consumer transactions or misleading advertising. Through the dispute resolution process, it is usually possible to bring a business into compliance with legislation.

When compliance is not obtained or where frequent statutory breaches have been identified, referral is made to the special investigation process of the Bureau.

ANALYSIS OF COMPLAINTS

COMPLAINT TYPE	1998/99	1997/98
MOTOR VEHICLES		
Automotive	**235**	**295**
Sport Machines	11	13
Trailers	9	2
Motive Fuels	6	2
Farm Equipment	5	5
Lubricants	3	0
HOME IMPROVEMENTS		
Home Improvements	**163**	**160**
Furnace/Chimney Cleaning	13	7
Alarm Systems	10	8
OTHER		
Coupon Books/Lotteries/Prizes	**52**	**42**
Utilities	43	157
Food & Drink (includes bulk food packages purchased from direct sellers)	30	18
Charities	29	11
Request for Information (requests for written responses on specific legislation including draft credit/lease agreements and advertising)	13	28
Entertainment	12	9
Hobby Products	8	9
Towing Companies	8	5
Residential Dwellings (homes and condos relating to warranties, fee and maintenance problems)	7	16
Mobile Homes	5	3

COMPLAINT TYPE	1998/99	1997/98
Real Estate	4	1
Home Fuels	0	1
PERSONAL EFFECTS AND SERVICES		
Personal Services	**120**	**134**
Hardware and Software	62	48
Personal Effects (clothing, shoes, etc.)	59	32
Professional Services (accountants, auctioneers, dentists, optometrists, etc.)	31	21
Personal Improvement (training, seminars, self-improvement courses, includes those sold by direct sellers)	29	18
Mover/Storage	19	22
Jewelry	15	10
Dry Cleaners	11	13
Photography	11	10
Restaurants	7	2
Schools (unregistered vocational schools)	2	4
Musical/Lessons/Instruments	2	1
FINANCIAL		
Collection Practices	**96**	**109**
Financial	68	62
Rentals or Lease Agreements	36	39
Credit Cards	17	17
TRAVEL		
Travel Agents	**31**	**89**
Accommodations	8	6
Transportation	7	9

COMPLAINT TYPE	1998/99	1997/98
HOME FURNISHINGS & ACCESSORIES	**74**	**81**
Home Entertainment	**78**	**50**
Housewares	10	5
Power Tools	2	5
MAIL ORDER & SUBSCRIPTIONS		
Mail Order	**60**	**32**
Subscriptions	46	54
TOTAL	**1,639**	**1,745**

Licensing and Registration

The Consumer Protection Act regulates vendors and direct sellers, collection agents and collectors through licensing and bonding requirements. Under *The Consumer Protection Act*, consumers who enter into contracts as a result of a direct sale have a 10 day cancellation right. There are other cancellation rights of up to one year provided to consumers where vendors have not complied with certain other requirements specified in the Act. Bonds are required under the licensing requirements of the Act for vendors engaged in direct sales and collection agencies. Where companies fail or refuse to honour obligations to consumers, the bonds provide fair and effective recourse.

In 1998/99, 2 bonds totaling $85,000.00 were forfeited. In addition, a total of $3,526.19 was paid to 5 consumers from bonds which had been forfeited in prior years.

As well, the Consumers' Bureau authorizes charities to solicit funds for charitable purposes under *The Charities Endorsement Act of Manitoba.*

The Bureau registers collectors and certifies hearing aid dealers in Manitoba as well as registering dealers under the bedding, upholstery and stuffed articles regulation of *The Public Health Act.*

LICENCES, REGISTRATIONS AND AUTHORIZATIONS APPLIED FOR

TYPE	1998/99	1997/98
Collection Agent	39	52
Vendors	152	279
Direct Sellers	1,892	2,440
Hearing Aid Dealers	31	41
Bedding & Upholstery	931	888
Collectors	621	656
Charities Authorized	153	142
TOTAL:	**3,819**	**4,498**

Special Investigations

A level playing field in the marketplace for consumers and businesses is a goal of the Bureau. The Consumers' Bureau is often successful in obtaining voluntary compliance with its statutes through discussion. There are instances where investigations of breaches of the various acts are necessary. Following investigation some matters are referred to the Justice Department for prosecution or other court action as appropriate to obtain compliance. This process provides a means to deal with the offences and the offenders. The Crown may also seek redress in court for consumers who have been victimized. As alternatives to prosecution, investigations may result in obtaining assurance of voluntary compliance, orders freezing assets, or injunctions prohibiting certain actions.

In 1998/99, a total of 38 charges were laid against various individuals and companies for breaches of consumer protection statutes. This included 21 charges of committing an unfair business practice under subsection 33(1) of *The Business Practices Act*, 4 charges of direct selling without a license under subsection 75(1) of *The Consumer Protection Act*, 2 charges of direct selling under subsection 75(2) of *The Consumer Protection Act*, and 11 charges for breaching Section 125(2) of *The Consumer Protection Act*, collecting fees for a prepaid service in a manner prohibited by The Act. As well, there were 3 arrest warrants issued for individuals charged with violations of *The Consumer Protection Act* and *The Business Practices Act*.

Charges dealt with, which included some from previous years, resulted in 3 guilty pleas and fines totaling $1,000.00 and restitution in the amount of $575.31 ordered to be paid to consumers. A total of 10 charges were stayed as a result of plea bargains.

The Special Investigations unit maintains a close working relationship with departments and agencies of all three levels of government. As well, investigations benefit from the ongoing support and exchange of information with the Winnipeg Police Service, Brandon Police Department, RCMP and Project Phonebusters.

By effective investigations of breaches of statutes and prompt application to the court for orders, the Bureau protects consumers from unfair business practices and ensures a healthier marketplace for businesses to compete fairly.

In 1998/99, consumer services officers in the Special Investigation unit participated in an interviewing technique course to enhance their skills when interviewing offenders.

Information/Education

In 1998/99, the Consumers' Bureau received 38,714 telephone and e-mail inquiries from consumers requiring assistance.

The overall goal of this program is to help create more of a balance between the interests of consumers and businesses by educating Manitobans to improve their marketplace skills.

On June 1, 1998, the Consumer Education Volunteer Program joined the Consumers' Bureau. The part time volunteer Program Manager recruited and trained 15 new volunteers to make presentations on marketplace skill to various groups. With the assistance of these volunteers, the Bureau reached 1,278 individuals during the 1998/99 year. Volunteers provided 44 community presentations. Twelve senior groups participated in presentations called "Senior Power: Protect Yourself", which helps senior consumers recognize and prevent consumer fraud as well as assert themselves as consumers. Sixteen community groups consisting of new Canadians, young adults and women's groups enjoyed presentations entitled "Cutting Costs" workshops which help consumers make sound consumer decisions and achieve better value for their money. There were 14 community groups who participated in "Consumer Power" presentations and learned about direct sellers, making an effective consumer complaint and getting help for consumer problems. Two other organizations had volunteer speakers on related consumer issues such as credit.

Through in-services, three groups of professionals such as home economics teachers and literacy workers received training in consumer education resources. Linking and providing consumer education resources to these community-based professionals helps expand our service to the community and allows us to reach more consumers with timely consumer information.

Consumer Services Officers provided 14 presentations to a total of 385 Manitobans. There were three presentations on basic rights under the consumer protection legislation administered by the Bureau to the Social Skills re-entry program under the Department of Justice. Officers attended at two high schools and made presentations to the grade 11 and 12 students on consumer protection legislation in Manitoba. One senior's group enjoyed a presentation on telemarketing, mail order and internet scams. The Winnipeg Aboriginal Entrepreneur Organization participated in a presentation on rights and responsibilities of businesses and consumers in consumer transactions. The Community Integration Program received a presentation on consumer protection legislation in Manitoba. The Canadian Hard of Hearing Association enjoyed a presentation on *The Hearing Aid Act*. The Community Legal Aid Association participated in a presentation on collection practices, *The Personal Investigations Act, The Consumer Protection Act* and *The Business Practices Act*. The Professional Credit and Financial Association took part

in a presentation on the disclosure requirements and collection practices under *The Consumer Protection Act* and *The Personal Investigations Act*. The Bureau was invited to the annual Manitoba Motor Dealers Association where an officer made a presentation on advertising under *The Business Practices Act* and *The Consumer Protection Act*. The company, Commercial Credit, requested training for their employees and an officer participated by making a presentation on collection practices under *The Consumer Protection Act*. A group called "Teenage Newcomers" enjoyed a presentation by a Bureau officer on their basic rights under the consumer protection legislation of Manitoba. Results from a feedback survey on some of the presentations were very positive.

The Consumers' Bureau regularly receives calls from the media about specific consumer problems or marketplace issues. In 1998/99 a total of 30 inquiries were received from the media. Bureau staff participate in television and radio interviews in response to media inquiries and utilize these opportunities to communicate information to consumers and businesses about their rights and responsibilities.

Contacts are maintained and information is exchanged by Bureau staff with the Better Business Bureau, the Direct Sellers Association, the Consumers Association of Canada, the Manitoba Motor Dealers Association, various municipal, provincial and federal government organizations and law enforcement authorities.

With the increased use of the internet among all populations including seniors, an educational presentation for volunteers and staff was held in 1998/99. As well, Manitoba is actively participating in the work of the Inter-provincial Consumer Measures Committee to address electronic commerce issues, including consumer awareness initiatives.

The Bureau is pleased with the success of Information/Education program, as it has been a factor in the decrease in the number of telemarketing victims within Manitoba. Project Phonebusters report that the number of victims in Manitoba has decreased by 85% since 1995 and attributed these reductions in victims to information and educational efforts.

Administration/Legislative Review

The administration/legislative review program effectively manages the internal operation of the Consumers' Bureau, including the management of financial and human resources within the branch. All staff participate in the business planning, policy reviews and legislative reviews of the Acts administered.

The developing presence of electronic commerce has created new concerns in balancing convenience and consumer protection. The Bureau is participating in an inter-governmental working group which is examining e-commerce issues.

As well, in March, 1999, a Discussion Paper on the Protection of Personal Information in the Private Sector was released. Public meetings into concerns related to this matter were announced and will be chaired by the Director of the Consumers' Bureau.

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
2(a) Consumers' Bureau	FTE	$	FTE	$	$	
Total Salaries Other Expenditures	20.00	880.9 194.7	20.00	898.4 215.1	(17.5) (20.4)	 1
Sub-Total	20.00	1,075.6	20.00	1,113.5	(37.9)	
Recoveries		0.0		0.0	0.0	
Total Expenditures	20.00	1,075.6	20.00	1,113.5	(37.9)	

Explanation:

1. Lower than anticipated systems testing costs. Expenditure in Consumer Education decreased ($13.0) due to reorganization of this program between the Consumers' Bureau and the Residential Tenancies Branch.

RESIDENTIAL TENANCIES BRANCH

The Residential Tenancies Branch administers:

* The Residential Tenancies Act

* The Condominium Act

The Residential Tenancies Branch:

* provides information to landlords, tenants and others on The Residential Tenancies Act and The Condominium Act;

* investigates complaints of non-compliance with the legislation;

* mediates disputes between landlords and tenants;

* makes decisions in disputes on the rights and obligations of landlords and tenants relating to:
  - security deposits
  - repairs
  - terms and conditions of a tenancy agreement
  - the right to continue in occupancy, including termination for non-payment of rent and noise and disturbance
  - giving proper notice to move out
  - compensation for such things as damages, lost rent, moving expenses
  - privacy
  - non payment of utilities

- makes decisions based on the review of landlords' applications for rent increases above the guideline and tenants' objections to any rent increases.

Information/Education
Telephone Calls/Interviews

The Information/Education Unit received *50,100 phone calls in the 1998/99 fiscal year. This does not include calls on specific files. During the same period *8,438 people came to the branch to request information or to initiate a formal complaint.

*Includes Brandon and Thompson Offices.

Talking Yellow Pages

As part of the Branch's ongoing commitment to providing information to landlords and tenants, the Branch has added two new services. The Branch has a full page ad in the Talking Yellow Pages and a web site. Both services operate on a 24 hour basis.

The Talking Yellow Pages service is in both French and English and covers some of the most-asked questions on security deposits, rent increases, repairs and notices. For the period of April 1, 1998 to March 31, 1999, 3,168 people called into the Talking Yellow Pages line.

Web Site

The Residential Tenancies Branch's web site provides answers to 10 frequently-asked questions. It provides an automated security deposit interest calculation feature and allows most-used forms to be down-loaded. *The Residential Tenancies Act* and the Branch's Policies & Procedures Guidebook are also on the web site. The site had 40,820 hits from April 1, 1998 to March 31, 1999. This is a significant increase over last year's approximately 9,000 hits.

Policy & Procedures Guidebook

The Branch has a Policy & Procedures Guidebook to assist landlord and tenants and staff. The guidebook covers those areas that are not specifically dealt with in *The Residential Tenancies Act*. It also set out the procedures for handling most of the issues that landlords and tenants refer to the branch. The guidebook has 15 sections on topics like: security deposits, rent regulation, mediation, hearings and repairs. The Branch provided copies of the guidebook to various landlord and tenant organizations. The guidebook is available in French. Copies of the guidebook were also distributed to all major libraries in the province as well as to our universities and colleges. Landlords and tenants can buy the guidebook from the Residential Tenancies Branch.

PARTS 1 - 8 OF THE RESIDENTIAL TENANCIES ACT

Case Load

Category	1998/99	1997/98
Security Deposits	1,136	1,201
Claims (4)	1,750	1,645
Repairs	753	677
Notices to Vacate	305	368
Non-payment of Utilities	290	384
Tenancy Agreements	137	150
Failure of Landlord/Tenant to Meet Obligations (1)	382	409
Orders of Possession	1,590	1,415
Others (2)	458	397
Files Opened (3)	6,801	6,646
Files Closed (3)	6,992	6,457
Cases in Winnipeg and surrounding area	7,105	5,728
Cases in Brandon and surrounding area	482	429
Cases in Thompson and surrounding area	353	300

(1) This category includes disputes over locks and doors, privacy, seizure of tenant's property, non-payment of rent, disturbance, withholding of services, unauthorized charges or fees.

(2) The other category includes disputes involving assignment and subletting, mobile homes, entitlement to collect rent, change of landlord and abandonment of rental unit.

(3) Does not include rent regulation files.

(4) The claims category involves cases heard at the housing court. These cases include a variety of cases from various categories.

Rent Regulation

The figures shown here may differ from those in the annual report on the administration of *The Residential Tenancies Act.* This difference results from using figures based on the calendar year vs. the fiscal year.

Number of Rental Units affected by Landlord Applications for Rent Increase above Guideline.*

	1998/99	1997/98
Winnipeg	3,057	4,174
Brandon	54	309
Other	371	3
	3,482	**4,986**

* The rent increase guideline for 1998 was 1%.

Tenant Objection

	1998/99	1997/98
Winnipeg	78	61
Brandon	4	6
Other	5	7
	87	**74**

Non-Compliance

	1998/99	1997/98
Winnipeg	1,140	1,404
Brandon	51	33
Other	178	259
	1,369	**1,696**

Speaking Engagements

As part of the Branch's ongoing commitment to providing information and promoting the services of the Branch, staff in Winnipeg, Brandon and Thompson continued to offer information sessions to landlords and tenants. There were 16 landlord sessions for 208 participants and 35 tenant sessions for 472 participants in 1998/99.

The Branch's Tenant Education Volunteer Program was launched in the beginning of 1997 to reach a greater number of tenants. In 1998/99, the volunteer program had 45 speaking engagements with a total of 561 in attendance. Topics covered in the sessions include the rights and responsibilities of landlords and tenants, how to find a place to rent, tenancy agreements, condition reports, security deposits, privacy issues, how to get repairs done, avoiding common mistakes renters make, and where to go for help with renting problems.

The Branch also developed a video on the Mediation and Hearing Process. The video was produced in English, French and Cree. Staff use the video in their landlord and tenant information sessions.

Safety Net Program

The Safety Net was set up in the fall of 1993 mainly to help people with special needs who are being evicted. These include the mentally and physically handicapped, the elderly and infirm, single parents or families with children. The safety net may also be used when the Health Department placards a building or there is some other unsafe living condition.

The safety net officer has contacts with City and Provincial Income Security, mental health workers, the City of Winnipeg Health Department, Community Relations with the City of Winnipeg Police Department and Community Credit Counselling Services.

When the branch issues an order of possession, the safety net officer reviews the file. If the office believes the tenant has special needs, the officer contacts the appropriate social agency to line-up assistance. For example, if the tenant is a single parent on social assistance, the safety net officer contacts the worker to advise what's happening and to make sure the tenant will receive moving expenses and temporary accommodation, if necessary. The officer also contacts the tenants to make sure they know where to go to for assistance.

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
2(b) Residential Tenancies Branch	FTE	$	FTE	$	$	
Total Salaries	50.50	2,153.1	50.50	2,161.9	(8.8)	
Other Expenditures		511.3		561.8	(50.5)	1
Sub-Total	50.50	2,664.4	50.50	2,723.7	(59.3)	
Recoveries		0.0		0.0	0.0	
Total Expenditures	50.50	2,664.4	50.50	2,723.7	(59.3)	

Explanation:

1. Lower than anticipated expenditure in transportation, telephone, supplies and systems costs.

THE RESIDENTIAL TENANCIES COMMISSION

The Residential Tenancies Commission is a specialist tribunal which hears appeals from decisions and orders of the Director under *The Residential Tenancies Act*.

The Commission consists of:

1) The Chief Commissioner - a full-time position; appointed for a five-year term, located in Winnipeg.

2) Deputy Commissioners – nine part-time positions; may exercise the powers and perform the duties of the Chief Commissioner; appointed for a two-year term; from Winnipeg, Altona, Brandon, and The Pas.

3) Panel members - approximately twenty-nine panel members - half representing the views of the landlords, the others the views of the tenants; from Winnipeg, Killarney, The Pas, Thompson, Carman, Dauphin, and Brandon.

Hearings are before a panel of three: one landlord representative, one tenant representative and a neutral commissioner, either the Chief Commissioner or one of the deputies.

Hearings are chaired by the neutral commissioner; the neutral commissioner also casts the deciding vote if there is a tie.

Hearings outside of Winnipeg are held at the nearest judicial district.

Commission decisions are appealable to the Court of Appeal, but only on a question of error in law or jurisdiction. A Court of Appeal judge must grant leave or permission to appeal. Section 179 of *The Residential Tenancies Act* states however that no appeal lies from a decision or order of the Commission made in a matter arising under part 9, the section dealing with Rent Regulation. The Commission's decision here is final.

ACTIVITY SUMMARY

April 1, 1998 to March 31, 1999

Activity:

	Received	Processed
Claims	180	198
Notice	0	0
Mutual Obligation	0	0
Landlord	4	4
Order of Possession	74	71
Rent Regulation	40	31
Repairs	12	8
Security Deposit	114	97
Tenancy Agreement	3	3
Tenant Obligation	6	5
Utilities	3	0
TOTAL	**436**	**417**

Appeals:

Landlord initiated	154
Tenant initiated	274
Dual Initiated	8
TOTAL	**436**

Decisions:

Orders confirmed	176
Orders varied	155
Orders rescinded	29
Orders withdrawn	46
Orders rejected	11

Application for Leave to appeal:

Received	18
Adjourned Sine Die	1
Deemed Abandoned by Court	2
Discontinued	5
Denied	11
Grant (subsequently discontinued)	1
Pending	0

Court of Appeal:

0

Out Of Town Appeal Hearings:

Brandon	11
Beausejour	1
Dauphin	1
Minnedosa	1
Morden	3
Neepawa	1
Flin Flon	1
Portage La Prairie	2
Russell	2
Selkirk	7
Steinbach	2
The Pas	1
Thompson	6

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
2(b) Residential Tenancies Commission	FTE	$	FTE	$	$	
Total Salaries Other Expenditures	4.50	440.3 81.6	4.50	442.8 89.2	(2.5) (7.6)	
Sub-Total	4.50	521.9	4.50	532.0	(10.1)	
Recoveries		0.0		0.0	0.0	
Total Expenditures	4.50	521.9	4.50	532.0	(10.1)	

THE AUTOMOBILE INJURY COMPENSATION APPEAL COMMISSION

General

The Automobile Injury Compensation Appeal Commission ('the Commission') is a specialist tribunal, established to deal with appeals arising with respect to claims under the Personal Injury Protection Plan (PIPP) of Manitoba Public Insurance Corporation ('MPI'), more commonly known as the 'no-fault insurance program'.

The Commission was established under *The Manitoba Public Insurance Corporation Act* ('the Act'), which, amongst other things, outlines the powers and responsibilities of the Commission regarding the processing of appeals.

1998/99 was the fifth full year of the operations of the Commission, which has a complement of 9 persons: the three full-time commissioners prescribed by the Act, two part-time commissioners, a director, an appeals officer, the secretary to the chief commissioner and a secretary-receptionist. Approximately the same number of appeals were filed with the Commission in 1998/99 as in the previous fiscal year: 159 and 164, respectively. Many of the appeals heard during the 1998/99 fiscal year relate to injuries sustained in 1995 and 1996. This is due, in part, to the fact that, when injuries are of a comparatively serious nature and the insurer's initial liability is not disputed, a claimant may be in receipt of income replacement or medical treatment coverage from MPI for an extended period; it is only when MPI decides to terminate benefits that the appeal process is initiated.

The Appeal Process

Prior to filing an appeal with the Commission, claimants who have suffered from a personal injury caused by an automobile accident, and who feel themselves aggrieved by a decision of MPI, must have that decision reviewed by the Corporation's internal review officer. The Act stipulates:

> '**Section 172(1)** A claimant may, within 60 days after receiving notice of a decision under this Part (*i.e. a decision of the adjusting team*) apply in writing to the Corporation for a review of the decision.'

The internal review officer gives his or her decision in writing, with the reasons for that decision. A claimant who is still dissatisfied may then file a Notice of Appeal with the Commission. Rights of appeal are explained to the claimant in writing at each step in the processing of a claim.

'**Section 174** A claimant may, within 90 days after receiving notice of a review decision by the Corporation or within such further time as the Commission may allow, appeal the review decision to the Commission.'

Claimants who have furnished persuasive reasons for missing the 90 day deadline have been granted extensions by the Commission. The Commission will continue to consider reasonable requests.

Once a Notice of Appeal has been filed with the Commission, the appellant's file is obtained from MPI and a copy of all relevant contents is provided to the appellant. A date is then set for the hear ing of that appeal. The Commission makes every effort to hold a hearing with a minimum of delay while, at the same time, attempting to accommodate the appellant and MPI. During the first two years of its operations, the Commission set hearing dates for about one month after receiving MPI's file. However, last minute adjournments were being sought with disconcerting frequency, usually due to the late receipt from one party of updated medical or chiropractic reports which then had to be shared with the other party. The Commission's current practice is, therefore, to set hearing dates only when both parties can confirm that they do not anticipate producing any further medical or other written reports.

Appeals are heard by a panel of three commissioners, who comprise the quorum prescribed by the Act. Hearings are informal with about 90% of appellants acting without legal representation. The rules of evidence followed by the courts are not necessarily adhered to. On occasion, where an appellant lives or works some distance out of Winnipeg, the commissioners have, with the prior approval of the parties, conducted a hearing telephonically, using a 'speaker-phone' in the hearing room to enable complete communication between all interested persons; this procedure is useful in particular when few, if any, of the relevant facts are in dispute and it is therefore unnecessary for the panel to weigh evidence. The telephone conference call has the added virtue of saving the expense of either bringing the appellant in to the city (sometimes from long distances) or having the entire panel travel to the area where the appellant lives. If, in the course of a telephone hearing, it becomes apparent that the Commission needs actually to see one or more witnesses, the matter will be adjourned to the earliest practicable date for that purpose.

'**Section 182(5)** Evidence may be given before the Commission in any manner that the Commission considers appropriate, and the Commission is not bound by the rules of law respecting evidence applicable to judicial proceedings.'

Appellants and MPI may bring forward new evidence, either written or in the form of oral testimony, to be used at the hearing, in which event they are required to disclose it to the other side in reasonable time prior to the hearing. The commissioners weigh the evidence and the arguments of both the appellant and MPI in arriving at each decision.
After the hearing, the Commission issues its decision which, according to the Act:

'**Section 184(1)** .... may
(a) confirm, vary or rescind the review decision of the Corporation; or
(b) make any decision that the Corporation could have made.'

The Commission's decision is binding, subject only to a right of appeal to the Manitoba Court of Appeal on a point of law or a question of jurisdiction, and then only with prior leave from that court. Up to March 31, 1999, only one application for leave to appeal to the court has been successful.

Decisions, accompanied by the reasons for those decisions, are normally sent to the appellant and to MPI in writing within two or three weeks of the hearing, unless the commissioners find it necessary to seek further, independent, expert evidence, in which case that evidence is shared with both parties who are given an opportunity to respond to it before the Commission's decision is finalised.

All of the Commission's reasons for its decisions are now available through QuickLaw, which is a Canadian company that maintains an electronic database of decisions rendered by courts and tribunals from across the country and which are available on a commercial basis. This service should be of particular value to legal counsel who appear at the Commission's hearings.

Evidence from past years indicate that approximately 1/3 of appeals succeed either in whole or in part.

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
2(c) Automobile Injury Compensation Appeals Commission	FTE	$	FTE	$	$	
Total Salaries Other Expenditures	9.00	445.8 93.8	9.00	463.4 134.7	(17.6) (40.9)	 1
Sub-Total	9.00	539.6	9.00	598.1	(58.5)	
Recoveries		0.0		0.0	0.0	
Total Expenditures	9.00	539.6	9.00	598.1	(58.5)	

Explanation Number:

1. The under-expenditure is the result of less than anticipated demands for travel, "expert" witnesses, and hearings.

CORPORATE AFFAIRS

INSURANCE BRANCH

The Office of the Superintendent of Insurance was created in 1906. This created a regulatory agency responsible for regulating and supervising all insurance companies licensed in the province.

In addition to *The Insurance Act* and *The Corporations Tax A*ct the Insurance Branch is responsible for the administration of:

- *The Marine Insurance Act*; and
- The collection of tax under the regulations of *The Fires Prevention Tax Act.*
- monitoring the regulatory activities of and liaising with the Insurance Council of Manitoba;

The mandate of the Insurance Branch is to protect the consumer while facilitating the transaction of the business of insurance in Manitoba. To accomplish this, the following functions are performed:

* answering inquiries of a general nature about insurance;

* licensing of insurance companies for the transaction of the business of insurance;

* monitoring the solvency of insurance companies incorporated in Manitoba;

* determining the deposits of insurance companies incorporated in Manitoba;

* mediating disputes between consumers and insurance companies;

* preparing the Annual Report required by *The Insurance Act*;

* collecting the premium tax under *The Insurance Corporations Tax Act*; and

* collecting the tax under *The Fires Prevention Act.*

Client Services

The Superintendent's office contributes to public confidence by enhancing the safety and soundness of the Manitoba marketplace. In this regard the Insurance Branch in partnership with the Office of the Superintendent of Financial Institutions Canada inspected for solvency 7 Manitoba incorporated insurers.

The mediation of complaints is an important function of the Insurance Branch.

Lump sum payments resulting from mediation ranged from $1,400.00 to $115,000.00. These settlements resulted in claims which had previously been declined being paid while others were increased after the Branch became involved.

In the last year the Insurance Branch handled 263 complaints.

Since April 1, 1998, 44 insurance companies and 91 consumers have been surveyed in an effort to gauge our client satisfaction. The survey results show satisfaction (59%) both in terms of results and how the pertinent information is presented to clients.

REVENUE		
DESCRIPTION	**1998/99**	**1997/98**
Insurance Act Fees	$782,274	$758,419
Insurance Corporations Tax	$39,327,229	$36,367,438
Fires Prevention Tax Act Fees	$3,554,256	$3,246,294
Totals	**$43,663,759**	**$40,372,151**

ACTIVITY REPORT		
DESCRIPTION	**1998/99**	**1997/98**
Telephone Enquiries Received	10,902	9,904
Complaint Files Processed	263	303
Public Relations Engagements	4	5
Press Interviews	2	3
Totals	**11,171**	**10,215**

LICENSING OF INSURANCE COMPANIES		
DESCRIPTION	**1998/99**	**1997/98**
Federal	247	246
Provincial	37	37
Totals	**284**	**283**

LICENCES ISSUED BY SUPERINTENDENT OF INSURANCE OFFICE		
DESCRIPTION	**1998/99**	**1997/98**
Hail Agents	390	364
Accident and Baggage Agents	92	88
Miscellaneous Agents	4	4
Agents Sub-Total	**486**	**456**
Hail Adjusters	25	25
Adjusters Sub-Total	**25**	**25**
Special Brokers Licences	**8**	**8**
GRAND TOTAL	**519**	**489**
Agent Licences Cancelled or Denied by Superintendent of Insurance	N/A	N/A

LICENCES ISSUED BY INSURANCE COUNCIL OF MANITOBA		
DESCRIPTION	**1998/99**	**1997/98**
Life Agents	2,530	2,435
General Agents	2,034	1,808
Accident & Sickness Agents	1,266	1,119
Automobile Agents	7	9
Agents Total	**5,837**	**5,371**
Adjusters	80	92
Assistant Adjusters	9	8
Adjusters Total	**89**	**100**
GRAND TOTAL	**5,926**	**5,471**

LICENCES CANCELLED, SUSPENDED, REVOKED OR REFUSED BY INSURANCE COUNCIL OF MANITOBA		
DESCRIPTION	**1998/99**	**1997/98**
Agent Licences Cancelled	35	0
Agent Licences Suspended	15	15
Agent Licences Revoked	0	1
Agent Licences Refused	4	2
Agent Licences Reprimand	1	0
Totals	**55**	**18**

INSURANCE AGENT AND AJUSTER LICENCSING EXAMINATIONS BY INSURANCE COUNCIL OF MANITOBA						
	WRITTEN		PASSED		FAILED	
	1998/99	1997/98	1998/99	1997/98	1998/99	1997/98
LIFE	682	542	398	338	284	204
GENERAL	27	41	9	10	18	31
ACCIDENT & SICKNESS	308	226	185	147	123	79
AUTO	0	7	0	4	0	3
Agents Total	**1,017**	**816**	**592**	**499**	**425**	**317**
ADJUSTER	8	7	3	4	5	3
Adjusters Total	**8**	**7**	**3**	**4**	**5**	**3**
GRAND TOTAL	**1,025**	**823**	**595**	**503**	**430**	**320**

ANALYSIS OF COMPLAINTS - PART ONE										
	LIFE		ACCIDENT & SICKNESS		ANNUITIES - R.R.S.P.'S		PERSONAL LINES/ TENANTS & HOMEOWNERS		COMMERCIAL LINES	
DESCRIPTION	**1998/99**	**1997/98**	**1998/99**	**1997/98**	**1998/99**	**1997/98**	**1998/99**	**1997/98**	**1998/99**	**1997/98**
Claims	9	7	46	44	0	1	50	57	6	15
Application Rejected/ Renewal Refused	0	1	1	1	0	0	7	2	1	1
Premium Payments	27	17	2	3	5	8	4	7	1	4
Replacements	0	3	0	0	1	0	0	0	0	0
Claims Tactics	0	1	0	3	0	0	1	3	0	0
Selling Tactics	10	15	3	1	1	1	0	5	2	2
Sales Promotion and Advertising	4	4	0	0	1	0	5	0	0	0
Rebating	0	1	0	0	0	0	0	0	0	0
Undue Influence	0	0	0	0	0	0	0	0	0	0
Miscellaneous	6	13	0	2	1	2	3	8	1	2
Totals	**56**	**62**	**52**	**54**	**9**	**12**	**70**	**82**	**11**	**24**

ANALYSIS OF COMPLAINTS - PART TWO								
	HAIL		TRAVEL		FARM		MISCELLANEOUS LINES - LIVESTOCK, BAGGAGE, WARRANTIES, EXTENDED AUTO COVERAGE ETC.	
DESCRIPTION	**1998/99**	**1997/98**	**1998/99**	**1997/98**	**1998/99**	**1997/98**	**1998/99**	**1997/98**
Claims	1	2	4	2	5	3	3	5
Application Rejected/ Renewal Refused	0	0	1	0	0	0	0	0
Premium Payments	0	0	0	0	1	0	0	1
Replacements	0	0	0	0	0	0	0	0
Claims Tactics	0	0	0	0	0	0	0	0
Selling Tactics	1	1	0	1	0	1	0	3
Sales Promotion and Advertising	0	0	2	1	0	0	4	0
Rebating	1	0	0	0	0	0	0	0
Undue Influence	0	0	0	0	0	0	0	0
Miscellaneous	1	0	0	0	0	0	41	49
Totals	**4**	**3**	**7**	**4**	**6**	**4**		**58**

COMPLAINT STATISTICS – INSURANCE COUNCIL OF MANITOBA		
	1998/99	**1997/98**
Number of Complaints Opened:	164	215
Number of Complaints Dealt with:	191	214
Number of Complaints Outstanding at March 31/99:	22	49
NEW COMPLAINTS PER COUNCIL		
ADJUSTERS COUNCIL	7	10
GENERAL COUNCIL	28	55
LIFE COUNCIL	129	150

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
3(a) Insurance Branch	FTE	$	FTE	$	$	
Total Salaries Other Expenditures	7.00	268.9 123.7	7.00	278.0 179.6	(9.1) (55.9)	 1
Sub-Total	7.00	392.6	7.00	457.6	(65.0)	
Recoveries		0.0		0.0	0.0	
Total Expenditures	7.00	392.6	7.00	457.6	(65.0)	

Explanation Number:

1. Under-expenditure reflects the deferral of work done by "OSFI" (Office of Superintendent of Financial Institutions of Canada) to 1999/00 due to timing on insurance companies' reviews.

MANITOBA SECURITIES COMMISSION

The Manitoba Securities Commission (the "Commission") administers the following statutes:

* *The Securities Act*
* *The Real Estate Brokers Act*
* *The Mortgage Dealers Act*
* *The Commodity Futures Act*

The Commission's securities industry mandate is to act in the public interest to protect Manitoba investors and to facilitate the raising of capital while maintaining fairness and integrity in the securities marketplace. Similarly, its real estate industry mandate is to regulate brokers, salespeople, and mortgage dealers to ensure adequate standards are maintained for the protection of the public. The Commission performs the following activities:

* registering securities dealers, brokers, advisors, investment counsel, portfolio managers and sales personnel;

* reviewing prospectuses and other disclosure documents to ensure full, true and plain disclosure in respect of new issues of securities;

* supervising the filing of financial statements, insider trading reports and other continuous disclosure material by issuers of securities;

* licensing and regulating the activities of real estate and mortgage dealers and salespeople; and

* investigating suspected violations under four Acts noted above.

During the 1998/99 fiscal year, the Commission convened 42 regular and 52 special meetings (38 under *The Securities Act*, 14 under *The Real Estate Brokers Act*). The Commission also held 15 hearings (9 under *The Securities Act*, 5 under *The Real Estate Brokers Act*, and 1 under *The Mortgage Dealers Act*).

The Securities Industry

The total number of orders issued, filings processed and registrations issued under *The Securities Act* are as follows:

ORDERS ISSUED	1998/99	1997/98
Exemption Orders	177	194
Investigation Orders	11	9
Take-over Bid Orders	21	20
Insider Reporting Orders	23	8
Financial Reporting Orders	23	24
Cease Trade Orders	143	141
Miscellaneous Orders	12	6
Totals	410	402

FILINGS PROCESSED	1998/99	1997/98
Prospectus	456	603
Prospectus Amendments	78	80
Annual Information Forms pursuant to the Prompt Qualification System	490	443
Rights Offerings	18	11
Private Placements	156	148
Take-over Bid Circulars	93	113
Limited Offering Regulations	39	44

REGISTRATIONS ISSUED	1998/99	1997/98
Salespeople	5,324	5,089
Brokers, Broker Dealers & Investment Dealers, etc.	132	123
Securities Issuers	3	3
Securities Adviser	1	1
Investment Counsel	4	3
International Advisers	17	19
Underwriters	--	1
Totals	5,481	5,239

During the fiscal year April 1, 1998 to March 31, 1999 there were 157 Certificates of Registration issued for Broker Registrations/Renewals, including 105 branch managers, 565 branch offices and 380 trading officials.

A total of 695 Registrant Amendments under *The Securities Act* were processed including the deletion of 9 branch offices, 14 branch managers and 16 trading officials and the approvals of 43 branch offices, 18 branch managers and 65 trading officials.

During the fiscal year 227 Transfer of Registration Certificates were issued.
11 New Brokers were approved registration and 5 Broker registrations were terminated.

There were 2,155 new individual registrations processed during the fiscal year which include transfers of individuals to a new broker. During the fiscal year 1,443 individual registrations were terminated.

The Real Estate Industry

During the 1998/99 fiscal year, the Commission issued 22 orders and 2,433 registrations related to real estate matters as noted below.

ORDERS ISSUED	1998/99	1997/98
The Real Estate Brokers Act		
Suspension Orders	6	2
Investigation Orders	4	0
Exemption Orders	5	6
Miscellaneous Orders	5	7
The Mortgage Dealers Act	2	2
Totals	22	17

REGISTRATIONS ISSUED	1998/99	1997/98
Brokers	414	422
Authorized Officials	676	693
Salespeople	1,343	1,450
Totals	2,433	2,565

Brokers -- 27 new brokers were registered, compared to 26 the previous year. 395 brokers renewed their registrations, compared to 398 the previous year.

Authorized Officials – 23 new authorized officials were registered, compared to 31 the previous year. 578 authorized officials renewed or transferred their registrations, compared to 636 the previous year.

Salespersons -- 135 new salespersons were registered during the year, compared to 171 the previous year. 1,373 salespersons renewed their registrations, compared to 1,324 the previous year. 199 salespersons transferred their registration to another brokerage firm, compared to 164 the previous year.

Mortgage Dealers

Comparative statistics for registrations under *The Mortgage Dealers Act* are given below.

	1998/99	1997/98
Mortgage Dealers	11	10
Authorized Officials	15	13
Salespersons	4	2
Totals	30	25

Enforcement Activities

The Commission received 151 complaints from members of the public in the year ended March 31, 1999. The complaints received by the Commission vary widely from isolated matters involving an individual client complaining about the conduct of a registrant, to matters involving the sale of securities by an issuer to a large portion of the public.

When a complaint is received by the Commission a determination is made whether the matter can be resolved on an informal basis or whether further investigation is required.

Where complaints involve a registrant, matters can often be resolved through staff of the Commission arranging for mediation between the complainant and the registrant. Other matters can be resolved by staff communicating with an issuer selling securities to ensure securities are sold to the public in a manner which complies with the Act.

Where a matter requires further investigation, Commission staff conduct interviews, collect documentation and assemble all evidence required to determine whether the matter warrants a hearing before the Commission or charges in court. Both hearings before the Commission and charges in court are conducted by Commission staff.

Whenever possible staff attempt to resolve matters which require a hearing or court prosecution by way of settlement agreements. A settlement agreement is a signed contract between staff of the Commission and the party who is the subject of the enforcement proceeding. Each settlement agreement sets out what facts are admitted, what violations of securities laws have occurred and

recommends what penalty should be imposed. Each settlement agreement is reviewed by an independent panel of the Commission at a public hearing to ensure the terms of the settlement proposed in the agreement are in the public interest.

The Commission also has the authority to issue cease trade orders where there has been a violation of the Act by an issuer of securities. In some cases these orders involve a failure to file materials and can easily be resolved. Other cases require a hearing be held before the Commission.

Staff also frequently communicate with other government agencies, securities regulators and law enforcement agencies to ensure any matter that may potentially harm the public is resolved as quickly as possible.

Legislative Changes and Policy Initiatives

The Canadian Securities Administrators

The Commission continues to be actively involved in several projects being undertaken by securities regulators across Canada through the Canadian Securities Administrators Association to coordinate the activities of securities regulators throughout Canada in areas of prospectus review, applications and registrations. The result of these initiatives has already become apparent in simplifying the process for national applications through a system of mutual reliance between the various jurisdictions. As the balance of the projects come to fruition there will be a more efficient level of service to the public while preserving the Commission's ability to develop local initiatives.

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
3(b) Manitoba Securities Commission	FTE	$	FTE	$	$	
Total Salaries Other Expenditures	28.00	1,219.2 447.0	28.00	1,436.6 428.3	(217.4) 18.7	1
Sub-Total	28.00	1,666.2	28.00	1,864.9	(198.7)	
Recoveries		0.0		0.0	0.0	
Total Expenditures	28.00	1,666.2	28.00	1,864.9	(198.7)	

Explanation Number:

1. The under-expenditure is the result of staff turnover and vacancies.

THE PUBLIC UTILITIES BOARD

The Public Utilities Board is an independent quasi-judicial body operating under the authority of the Manitoba Legislature.

The Board is responsible for the regulation of public utilities as defined under *The Public Utilities Board Act* in all matters and in such manner as set out in that legislation. Other enactments which assign regulatory or adjudicative responsibilities to the Board are:

- *The Crown Corporations Public Review and Accountability Act* (proclaimed on January 17, 1989)
- *The Greater Winnipeg Gas Distribution Act*
- *The Gas Pipe Line Act*
- *The Gas Allocation Act*
- *The Prearranged Funeral Services Act*
- *The Cemeteries Act*
- *The Municipal Act (local utilities)*
- *The City of Winnipeg Act (passenger carrier agreements)*
- *The Manitoba Water Services Board Act (Appeals)*
- *The Highways Protection Act (Appeals)*

In addition to rate regulation of the above noted public utilities, the Board, pursuant to *The Gas Pipe Line Act* reviews related utilities' operations to ensure that natural gas and propane are distributed to Manitoba consumers in a safe manner.

With respect to *The Crown Corporations Public Review and Accountability and Consequential Amendments Act*, the Board is also responsible for rate regulation of compulsory drivers and vehicle insurance premiums charged by Manitoba Public Insurance.

During the fiscal year, the Board convened 27 Board Meetings, 51 public hearing days and 1 pre-hearing conference day. A total of 175 formal orders were issued which included the following:

Water and Sewer Utilities	*50*
Gas Utilities	*41*
Gas Disconnection	*28*
Highways Protection Act	*1*
Manitoba Hydro Act	*50*
Manitoba Public Insurance	*5*

With respect to *The Prearranged Funeral Services Act*, 20 renewal licences and 2 initial licences were licensed to sell for this fiscal year. In addition, there were 18 applications filed for acknowledgement of revisions in prearranged funeral fees for caskets and services. Four sales agreements were authorized as well as 8 trust agreements. The Board continued to review and monitor the annual reports filed by licensees and their trustees with regard to prearranged funeral plans being sold and contracted funds in trust.

With respect to The Cemeteries Act, the Board issued the following renewal licences for this fiscal year: 10 cemeteries, 11 columbariums and 17 initial columbariums, 5 mausoleums, and 12 crematoria and 2 initial crematoria. Also 78 licences and 3 transfer licence were issued to sales personnel on behalf of, and for, owners of cemeteries. In addition, 16 applications for a revision of fees for spaces, materials and services were authorized.

The Board issued 21 renewal registrations to brokers of natural gas. The Board dealt with a number of public enquiries and had several meetings with brokers and other members of the industry.

The Board supervised the Service Disconnection and Reconnection Policy and Procedures of Centra Gas Manitoba Inc. and Stittco Utilities Man Ltd. In this regard the Board received a number of customer enquiries and complaints and held 17 appeal hearings to review disputes between customers and Centra Gas Manitoba Inc.

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
3(c) Public Utilities Board	FTE	$	FTE	$	$	
Total Salaries Other Expenditures	8.23	502.4 776.1	8.23	695.5 797.8	(193.1) (21.7)	1
Sub-Total	8.23	1,278.5	8.23	1,493.3	(214.8)	
Recoveries		0.0		0.0	0.0	
Total Expenditures	8.23	1,278.5	8.23	1,493.3	(214.8)	

Explanation Number:

1. Lower salary requirements for Board Members than estimated due to current level of activity of the Board and due to budgeting on a historical basis.

TRUST, COOPERATIVES & CREDIT UNION REGULATION BRANCH

The Trust, Cooperatives and Credit Union Regulation Branch is a result of the amalgamation of the Trust and Loan Corporations Branch with The Cooperative & Credit Union Regulation Branch.

The Trust, Cooperatives & Credit Union Regulation Branch administers the following statutes:

- *The Credit Unions and Caisses Populaires Act*
- *The Cooperatives Act.*
- Part XXIV of *The Corporations Act* (Trust and Loan Corporations)

The mandate of the branch is:

- to provide protection to clients of trust & loan corporations, to members of credit unions and caisses populaires by monitoring solvency of those institutions and ensuring compliance with legislation;
- to protect membership rights in cooperatives, credit unions and caisses populaires by providing a dispute resolution process.
- to maintain a legislative and regulatory framework which promotes the orderly development of credit unions, caisses populaires, cooperatives, trust and loans corporations in Manitoba and which ensures they can compete fairly with other businesses.

A) Trust and Loan Corporations

The branch engaged in the following Trust & Loan Corporation activities:

- Finalized amendments to Part XXIV of *The Corporations Act* to harmonize with the Federal trust and loan legislation in areas of eligible investments, conflict of interest, and reporting requirements. The amendments also removed the responsibilities of the superintendent under Part XXIV (formerly carried out by the Superintendent of Financial Institutions) and reassigned those responsibilities to the Director of trust and loan corporations. These amendments were proclaimed February 1, 1999.
- Finalized regulations to correspond to the legislative changes to Part XXIV. These regulations were approved and proclaimed February 1,1999.
- Monitored monthly and quarterly reports, the annual returns, and the examination report for the Manitoba incorporated trust and loan corporation and resolved all issues arising.

- Reviewed reports and annual returns from 47 extra-provincial trust and loan corporations operating in Manitoba and reviewed areas of concern with the prime regulators from the incorporating jurisdictions.

- Reviewed and approved 4 new and 2 amended business authorizations for extra-provincial trust and loan corporations operating in Manitoba.

- Responded to inquiries from trust and loan corporations regarding legislative and regulatory requirements in Manitoba.

- Responded to inquiries and complaints from consumers.

During the year, the Trust and Loan section collected fees as follows:

New Business Authorizations	$ 6,000.00
Amended Business Authorizations	3,000.00
Annual Business Returns	225,000.00
Total for 1998/99	$234,000.00

As at March 31, 1999 there was 1 Manitoba incorporated trust and loan corporation and 47 extra-provincial trust and loan corporations operating in Manitoba.

B) Cooperatives, Credit Unions & Caisses Populaires

The branch engaged in the following Cooperative, Credit Union and Caisse Populaire activities:

- Drafted a new *Cooperatives Act* which received Royal Assent on June 29,1998.

- Developed regulations to correspond to the new *Cooperatives Act*.

- Assessed the financial performance and operational programs of Credit Union Central of Manitoba and La Fédération des Caisses Populaires du Manitoba Inc.

- Reviewed the MacKay Task Force Report on the Future of the Canadian Financial Services Sector concerning changes to financial institutions.

- Discussed the recommendations of the MacKay Task Force Report on the Future of the Canadian Financial Services Sector with federal and provincial officials.

- Assessed the adequacy of controls for lending and other risks in the systems.

- Assisted in the incorporation process of new cooperatives, as well as in amending the articles of incorporation and charter by-laws of cooperatives.

- Assisted in the amending of the by-laws of credit unions and caisses populaires.

- Assessed the financial performance and the effectiveness of the programs carried out by The Credit Union Deposit Guarantee Corporation and La Société d'assurance-dépôts des caisses populaires.

- Maintained a central registry for the orderly filing of all documents required *under The Credit Unions and Caisses Populaires Act* and *The Cooperatives Act*. The annual return records of Credit Unions and Caisse Populaires can also be accessed through the Companies Office data base.

- Mediated disputes between members and their cooperative, credit union or caisse populaire.

The credit union and caisse populaire section collected fees totalling $60,820 during the 1998/99 year. Fees are primarily from the filing of annual returns; the filing of articles of incorporation and charter by-laws; and from searches or inquiries of registries.

Following are the consolidated statistics from credit unions and caisses populaires operating in Manitoba for the years ending December 31:

Credit Unions	**1998**	**1997**
Total Assets	$4.7 billion	$4.4 billion
Total Deposits	$4.4 billion	$4.1 billion
Total Loans	$3.8 billion	$3.5 billion
Members	391,700	382,000
No. of credit unions/locations	68/164	73/163

Caisses Populaires		
Total Assets	$436 million	$417 million
Total Deposits	$399 million	$383 million
Total Loans	$361 million	$347 million
Members	32,981	33,588
Number of caisses/locations	9/31*	15/31

* Note: The reduced number is a result of amalgamations in the caisse populaire system.

Cooperatives

As at December 31, 1998 there were 384 cooperatives with 160,488 active members operating in Manitoba categorized as follows:

Housing	65	Farmers Markets	24
Consumer	58	Agriculture/Producer	17
Day-care	50	Cattle Feeders	10
Community Service	42	Employment	14
Utility	45	Fishing	12
Marketing	37	Communications & Transportation	10

During 1998/99, 11 new cooperatives were incorporated and 22 cooperatives were dissolved.

Following are the consolidated statistics based on information reported by 313 non-financial cooperatives as at December 31, 1997:

	Dec 31/97
Revenues/Volume/Gross	$3.6 billion
Assets	$1.0 billion
Membership	233,426
Employees: Full-Time	2,870
Part-Time	1,328
Salaries/Wages	$87 million

Expenditures by Sub-Appropriation

	Actual 1998/99		Estimate 1998/99		Variance	Expl No.
3(d) Trust, Cooperatives & Credit Union Regulation	FTE	$	FTE	$	$	
Total Salaries	7.50	417.9	7.50	421.7	(3.8)	
Other Expenditures		94.2		100.5	(6.3)	
Sub-Total	7.50	512.1	7.50	522.2	(10.1)	
Recoveries		0.0		0.0	0.0	
Total Expenditures	7.50	512.1	7.50	522.2	(10.1)	

SPECIAL OPERATING AGENCIES

THE COMPANIES OFFICE

The Companies Office became a Special Operating Agency (SOA) on April 1, 1996. The Office continues to be part of the Manitoba Department of Consumer and Corporate Affairs under the general direction of the Deputy Minister and Minister.

The Office has administrative powers under the following statutes:

- *The Corporations Act*
- *The Business Names Registration Act*
- *The Partnership Act*
- *The Religious Societies' Lands Act*
- Other miscellaneous incorporation statutes

Under these statutes, the general public and legal profession file documents with the Office to:

- incorporate Manitoba corporations
- register corporations incorporated outside Manitoba
- register the names of unincorporated businesses

The Office has two main functions:

1. to be a central registry of basic information about corporations and businesses. This information is available to the public for searching, and is useful to a consumer or creditor of a corporation or business.

2. to review the proposed names of corporations and businesses to ensure that they are not confusingly similar to ones already on record.

During the fiscal year 1998/99, Office staff responded to 218,693 requests for service from the public. This included document filings, phone inquiries and in-person searches of files.

Interested clients can access Companies Office file information from computer terminals outside the Office. Public use of this service increased over the previous year with 764,563 inquiry transactions in 1998/99, compared to 671,670 during 1997/98 (approximately five transactions are needed to fully search a corporation or business). This service is convenient for clients as it is quicker and easier than attending the Office, and is available Monday – Friday – 24 hours a day. It is shut down Saturday at 6:00 p.m. and brought up again on Sunday at 7:00 a.m.

The first level of appeals from name registration decisions is to the Director of the Office. During the fiscal year there were 68 objections to both registered and unregistered names, up from 46 the year before. A significant number of the objections related to unregistered businesses doing business in the province.

Office personnel make presentations to groups interested in learning more about its activities. These include students from Red River Community College, Law School of Manitoba, (Solicitors Transactions Course), the Herzing Institute, the Bar Admission Course of the Law Society, the Law Society's Law-at-Lunch program, and the Business Law Subsection of the Manitoba Bar Association.

Comparative Statistics

Fiscal Year	1996/97	1997/98	1998/99
New Incorporations	3,083	3,166	3,333
Amendments	798	817	878
New Registrations for non-Manitoba Corporations	639	603	609
New Business Name Registrations	7,446	7,256	6,974
Personal Counter Searches of Corporate and Business Files	16,287	15,424	13,323
Name Reservation Requests	14,764	14,826	15,274
Annual Returns Processed	44,499	43,852	44,995
Telephone Inquiries	63,976	61,480	61,353
Customers at Counter	35,098	31,972	32,956
Active Corporate and Business Name Records	86,892	88,905	90,944

Financial Results Summary

Fiscal Years	Actual 1998/99	Budget 1998/99	Variance	
Revenue	3,499.0	3,238.4	260.6	1
Expenses				
Salaries & Benefits	1,124.5	1,139.0	(14.5)	
Operating Expenses	529.0	679.6	(150.6)	2
Amortization	11.8	17.6	(5.8)	
Computer Equipment Write-Off	19.5	0	19.5	3
Total Expenses	1,684.8	1,836.2	(151.4)	
Net Earnings for Year	1,814.2	1,402.2	412.0	
Retained Earnings, Beginning of Year	1,102.6	956.7	145.9	
Revenue Sharing, Payment to POM	1,250.0	1,250.0	0	
Retained Earnings, End of Year	1,666.8	1,108.9	557.9	

1. Increased filings and interest income account for the increase.

2. Reduced computer costs to support the Office's current system.

3. Write-off of computer equipment resulting from implementation of Desktop Management.

OPERATING GOALS

Goal	Year End Results
1. Explore the possibility of producing a user-friendly name policy guideline for customers.	Second draft of the guidelines has been produced.
2. Explore the possibility of providing expedited name searches.	Review has taken place. Expedited name searches will not be offered at this time.
3. Install a direct toll-free line.	Installed July 2, 1998. 2,323 calls were received on this line from July 2 – March 31, 1999.
4. Explore providing Property Registry with direct access to the Companies Office System.	Implementation date was February 1, 1999.
5. Explore merger of Cooperative and Credit Union information into Companies Office System database.	Complete. Information about Credit Unions, Caisses Populaires and Cooperatives now available for public search in the Companies Office.
6. Develop Companies Office website.	Website has been updated with common Questions and Answers and with links to the registries in other jurisdictions. In the process of updating the site with the forms.
7. Attend one Business Forum.	Office participated in Business Forum '98 held in Brandon and the Opportunity Showcase, Manitoba's Showcase for businesses, held at the Convention Centre.
8. Consider writing an article to be published in the Rural and/or Community Newspaper.	Postponed until next year.
9. Explore the possibility of creating an e-mail listing of clients.	Complete.

10. Hold one Client Impact Meeting.	Year End Results: ➢ Focus group of lawyers representing large and small, rural and urban law firms was held on November 23, 1998. Questions related to current service levels and proposed direction for BSI development was asked. Feedback received: ➢ Customer view of service levels was excellent, and ➢ Valuable input as to future BSI system development direction.
11. Provide in-house refresher training to staff.	5 held: ➢ NUANS ➢ Name Policies ➢ Review Application for Supplementary Certificate of Registration and Approval to Continue in Another Jurisdiction ➢ Letters of Resignation from Directors of corporations ➢ Articles of Amalgamation
12. Maintain Performance Framework Reporting.	
1. Maintain Continuous Improvement Initiative.	Maintained Regular meetings held approximately every 2 weeks from September to June, yearly. ➢ 17 meetings held from April 1, 1998 to March 31, 1999. ➢ Review customer surveys, which were distributed with all processed documents and mailed forms. ➢ Responded to customer and staff suggestions. ➢ Where appropriate, established and monitored task groups. In 1998/99 these included; ➢ Spiffing up the office ➢ Reward and Recognition ➢ Telephone Service Improvement ➢ Increasing Customer Input ➢ Quality Month

	Employee Survey results, completed spring 1998, were distributed to specified areas for resolution throughout 1998/1999. Series of meetings in each office during which issues were reviewed and resolved. All managers reported back to BEST in writing.
2. In conjunction with the implementation of the new computer environment: ➢ research alternatives to advertising in the Manitoba Gazette ➢ review layout of office ➢ rewrite position descriptions ➢ review classifications	Work will commence with the program of the Better Systems Initiative.
3. Contribute minimum of $1,250,000.00 to Government.	$1,250,000 contributed as of March 31, 1999.

THE PROPERTY REGISTRY

The Property Registry became a Special Operating Agency April 1, 1997. The Agency merges two distinct registries, the Land Titles Office and The Personal Property Registry. The Land Titles Office administers the provincial systems of land holding in accordance with *The Real Property Act, The Registry Act* and other related *Acts*, and maintains the written and drawn legal descriptions of all land in the Province of Manitoba. The Personal Property Registry records and provides information for the public concerning corporate securities, appointment of receivers and security interests in collateral in accordance with *The Personal Property Security Act*. It also provides a central registry for liens having priority under various provincial statutes.

Registration Volumes for Fiscal Year 1998/99 totalled 449,319, consisting of 163,910 in the Land Titles Office and 285,409 in The Personal Property Registry. There were 522,494 requests for service fulfilled by The Property Registry consisting of 285,973 services in the Land Titles Office and 236,521 in The Personal Property Registry. The Land Titles Office issued 78,038 certificates of title.

The document processing time in the Winnipeg Land Titles Office averaged 5 calendar days with approximately 90% of documents filed affecting electronic titles as opposed to paper titles (referred to as the "electronic hit rate"). The regional Land Titles Offices averaged a turnaround time of 2 days, with electronic hit rates in the Brandon Land Titles Office of 70%, in the Portage Land Titles Office of 64%, in the Morden Land Titles Office of 62%, in the Dauphin Land Titles Office of 28% (December to March) and in the Neepawa Land Titles Office of 17% (March 1999 only). The Personal Property Registry completed registrations on average within 4 days.

Registrations for the Registry showed a slight decrease from last year, for both the Land Titles Office and Personal Property Registry.

Two Land Titles Offices implemented electronic registration systems commencing November 16, 1998 in Dauphin and March 15, 1999, in Neepawa. All six Land Titles Offices, including Winnipeg, Brandon, Portage, Morden, Neepawa and Dauphin now have electronic systems for land titles registrations. 1% of the paper titles and entries have been converted to the electronic format in the Neepawa Office and 31% of the paper titles and entries have been converted to the electronic format in the Dauphin Office.

The Registry collected fee and tax revenues of $24.7 million, a 1.1% decrease from the previous fiscal year. Net earnings for the year were $4.2 million, 17.6% above budget. Total non-tax Registry revenues remained unchanged at $13.2 million, while land transfer tax revenue decreased 2.3% to $11.5 million.

Land Titles Office revenues grew by 0.6% to $9.2 million, compared with $9.1 million in the previous fiscal year. Land titles revenue consisted of $2.0 million each for transfer fees, $2.0 million in mortgage fees, $2.5 million in other registration fees, $2.0 million in service fees, and recoveries of $283,143 (fee recoveries only) and $357,697 (Better Systems Initiative and Better Methods salary recoveries).

Personal Property Registry fees declined to $3.8 million, representing a 4.1% decrease from FY1997/98 revenues. Personal Property Registry fees consisted of $2.3 million in registrations revenues, $1.5 million in service revenue, and $50,336 in recoveries (Better Systems Initiative).

There was one claim against the Assurance Fund with $4,200 paid out. Additional revenue from the Assurance Fund in the amount $66,733 was transferred to the Consolidated Fund June 30, 1998. The Assurance Fund maintains $125,000 in reserve for any potential claims in the future.

Operating and amortization expenses were below budget by 5.1% as a result of favourable reductions and/or postponements in expenditures.

The Property Registry
Highlights of activity FY 1998/99

Item	FY1998/99 Actual	FY1997/98 Actual	Change increase (decrease)
Registrations	449,319	473,850	(24,531)
Services	522,494	538,308	(15,814)
Fee revenues	$ 12,536.2	$ 12,871.7	$ (335.5)
Land transfer tax	$ 11,512.6	$ 11,786.7	$ (274.1)
Recoveries	$ 640.8	$ 308.5	$ 332.3
Total revenues	$ 24,689.6	$ 24,966.9	$ (277.3)
Expenditures	$ 8,968.3	$ 8,280.7	$ 687.6
Net earnings after Land transfer tax transfer	$ 4,208.7	$ 4,899.5	$ (690.8)
Revenue sharing	$ 3,550.0	$ 1,800.0	$ 1,750.0

The Property Registry
Financial results summary FY 1998/99

Item	FY1998/99 Actual	FY1998/99 Budget	Budget Variance Over (under)	Notes
Land Transfer tax	$ 11,512.6	$ 12,000.0	$ (487.4)	2
Fee and other revenue	$ 13,177.0	$ 12,353.7	$ 823.3	3
Expenses:				
Salaries and benefits	$ 6,748.2	$ 6,453.2	$ 295.0	4
Operating expenses	2,051.5	2,218.7	(167.2)	
Amortization	93.5	95.9	(2.4)	
Loss on desktop computers	75.1	0.0	75.1	
Total expenses	$ 8,968.3	$ 8,767.8	$ 200.5	
Net earnings	$ 4,208.7	$ 3,585.9	$ 622.8	
Revenue Sharing	$ 3,550.0	$ 3,550.0	$ -	

Notes:

1. The financial results are reported in accordance with accrual accounting.

2. Land transfer tax revenues were lower than budget due to a decline in volume of transactions during the year attributable to rising interest rates in late 1998.

3. Fee revenue amounts above budget are attributable to increased billings for services of staff seconded to other departments, and higher fees earned.

4. Salaries and benefits higher than budget as salaries of seconded staff are reported on a gross basis, rather than net of recoveries included in Note 3.

5. Loss on disposal of computer equipment replaced and upgraded under the Desktop Management Initiative.

VITAL STATISTICS AGENCY

Vital Statistics became a special Operating Agency on April 1, 1994, and transferred to the Department of Consumer and Corporate Affairs. The Agency is responsible for and mandated to:

a. maintain the provincial registry for births, marriages, deaths and stillbirths; issue certificates and certified copies from vital event registrations; and provide statistical and other types of reports as well as other related services to customers in accordance with *The Vital Statistics Act*;

b. register clergy and marriage commissioners as marriage ceremony officiants, appoint marriage commissioners, register marriage licence issuers, issue marriage licences, and recognize religious denominations in accordance with *The Marriage Act*;

c. register, issue certificates and conduct searches for legal changes of name in accordance with *The Change of Name Act*;

d. process applications for Orders for Disinterment pursuant to *The Public Health Act*; and

e. register adoptions, re-register births and amend records pursuant to *The Child and Family Services Act*, as well as amend parentage particulars of birth records pursuant to *The Family Maintenance Act*.

Data submitted under *The Vital Statistics Act* is provided by more than 3,200 district registrars representing hospitals, health facilities, personal care and nursing homes, funeral homes, members of the clergy, and marriage commissioners located throughout the province.

As well as providing the source information for issuance of certificates, data was used to produce important statistical reports for use by federal, provincial and municipal government offices, various research groups and other agencies. Traditionally our Agency issues more than 800 reports, however due to the new information system implementation we were unable to process some reports. In 1998-99, almost 32,000 event registration data was distributed to assist these organizations in fulfilling their mandates.

The largest consumer of the Agency's services is the general public; largely young families and senior citizens. Legal, financial, and health institutions such as lawyers, police, insurance companies, trust companies and physician's offices request services on behalf of their clients. Statistics Canada is a major data user of vital events information in both record copy and data file formats. The client profile for the Agency also includes numerous government departments, agencies, and offices from Manitoba and other jurisdictions.

Birth certificates are considered the primary source of identification from which numerous other benefits are derived such as medical services, public education, passports, old age pension or other income security provisions, as well as obtaining Indian status or band membership.

Certificates or certified copies of birth, marriage and death records are required in courts and elsewhere to establish necessary facts for child support, life insurance claims, tracing ancestry, settlement of pensions and estates, etc. Certified copies of medical certificates of death, which form part of death registrations, are important in determining health risk factors regarding hereditary diseases or medical conditions in family histories.

Of secondary importance, the registry system offers valuable statistical information. One of the principal purposes of the collection of vital statistics is to obtain data that makes possible a comparison of death and birth rates between countries, provinces, cities and other geographic units.

Vital Statistics is the sole provider of this service in the Province of Manitoba. If a person born in Manitoba requires a birth certificate, only Vital Statistics is authorized to issue it. However, the sole proprietorship of the Agency does not preclude it from forming partnerships with complementary agencies to produce a value-added service. Vital Statistics has distinctive proficiency in collecting information and making it available in a variety of forms for useful purposes.

The Vital Statistics Agency operates within the Vital Statistics Council for Canada along with the other provincial and territorial jurisdictions and the Federal Government. The Council provides a forum for developing a common approach to collecting vital statistics, sharing information with external parties, and to facilitating problem-solving through shared experiences, research findings and expertise among the jurisdictions.

Fee setting, service turnaround times, product diversity, and operational efficiency and effectiveness are continuously measured against those of its counterparts. Maintaining competitive rates with other jurisdictions is factored into rate determination. Other registries, information providers, and regulatory bodies are consulted to determine cost, price and value benchmarks when considering the assessment.

The Agency developed client service performance targets and measures actual results against baseline data (standard turnaround times). The standard turnaround time for issuing certificates is 10.0 days, the actual processing time was 7.9 days for an improvement of 21%. The standard turnaround time for registering events is 5.0 days, the actual process time was 4.0 days for an improvement of 20%.

COMPARATIVE STATISTICS

Fiscal Years	Actual 1998-99	Budget 1998-99	Variance Fav/(unfav)
Certificates and Certified Copies	65,779	63,300	2,479
Amendments	1,821	1,550	271
Licenses	1,195	1,550	(355)
Change of Name	837	750	87
No-Cost Items	604	1,500	(896)
Immediates	4,598	1,000	3,598
Registrations	31,804	30,900	904
Total Activities	106,638	100,550	6,088

FINANCIAL RESULTS SUMMARY

Fiscal Years	Actual 1998-99	Budget 1998-99	Variance Fav/(unfav)	Note No.
Revenue	2,336.9	2,078.0	258.9	1
Expenses				
Salaries & Benefits	1,181.2	1,057.0	(124.2)	2
Operating Expenses	659.0	626.9	(32.1)	3
Amortization	233.7	271.3	37.6	4
Total Expenses	2,073.9	1,955.2	(118.7)	
Net Earnings for Year	263.0	122.8	140.2	
Retained Earnings, Beginning of Year	1,502.4	1,502.4	0.0	
Revenue Sharing, Payment to POM	100.0	100.0	0.0	
Retained Earnings, End of Year	1,665.4	1,525.2	140.2	

NOTES:

1) The primary reasons for this favourable variance are the continuing strong demand for immediate service, increased sales of birth certificates, and the new service of providing event data for Elections Canada.
2) Salaries and Benefits exceeded budget due to the delay in implementing the Agency's new information system to a Y2K compliant data system.
3) The main reason for this unfavourable variance was the computer system support costs as a result of the managed environment (DMU/Systemhouse).
4) Amortization was below budget due to the delay in completion of the new information system

Manitoba Consumer and Corporate Affairs

EXPENDITURE SUMMARY

for fiscal year ended March 31, 1999 with comparative figures

	Estimate 1998/99	Appropriation	Actual 1997/98	Actual 1998/99	Increase (Decrease)
		05-1 Administration and Finance			
	26,300	(a) Minister' Salary	25,700	26,100	400
		(b) Executive Support:			
	317,600	Salaries	291,900	304,800	12,900
	59,400	Other Expenditures	43,900	47,900	4,000
		(c) Administrative Services:			
	526,800	Salaries	634,600	470,500	(164,100)
	162,400	Other Expenditures	176,200	150,200	26,000
	(181,500)	Less: Recoveries	(228,100)	(181,500)	46,600
		(d) Research and Planning:			
	160,100	Salaries	152,800	155,000	2,200
	27,200	Other Expenditures	24,400	22,300	(2,100)
Total 05-1	1,098,300		1,121,400	995,300	(126,100)
		05-2 Consumer Affairs			
		(a) Consumers' Bureau:			
	898,400	Salaries	902,700	880,900	(21,800)
	215,100	Other Expenditures	191,100	194,700	3,600
		(b) Residential Tenancies			
	2,604,700	Salaries	2,523,600	2,593,400	69,800
	651,000	Other Expenditures	603,400	592,900	(10,500)
		(c) Automobile Injury Compensation Appeals Commission:			
	463,400	Salaries	426,800	445,800	19,000
	134,700	Other Expenditures	95,600	93,800	(1,800)
	87,700	(d) Grants	87,700	87,700	- 0 -
Total 05-2	5,055,000		4,830,900	4,889,200	58,300

Manitoba Consumer and Corporate Affairs

EXPENDITURE SUMMARY

for fiscal year ended March 31, 1999 with comparative figures

Estimate 1998/99	Appropriation	Actual 1997/98	Actual 1998/99	Increase (Decrease)
	05-3 Corporate Affairs			
	(a) Insurance Branch			
278,000	Salaries	271,700	268,900	(2,800)
179,600	Other Expenditures	167,600	123,700	(49,300)
	(b) Manitoba Securities Commission:			
1,436,600	Salaries	1,354,800	1,219,200	(135,600)
428,300	Other Expenditures	377,100	447,000	69,900
	(c) Public Utilities Board:			
695,500	Salaries	478,700	502,400	23,700
797,800	Other Expenditures	690,700	776,100	85,400
	(d) Trust, Cooperatives and Credit Union Regulation			
421,700	Salaries	411,400	417,900	6,500
100,500	Other Expenditures	103,700	94,200	(9,500)
Total 05-3 4,338,000		3,855,700	3,849,400	(6,300)
10,491,300	TOTAL EXPENDITURES	9,808,000	9,733,900	(74,100)

REVENUE SUMMARY

for fiscal year ended March 31, 1999 with comparative figures for the previous year

1997/98 Actual	1998/99 Actual	Increase (Decrease)	Source	1998/99 Actual	1998/99 Estimate	Variance
			Taxation:			
36,079,200	38,896,300	2,757,100	(a) Insurance Corporations Tax	38,836,300	38,700,000	136,300
11,783,400	11,504,900	(278,500)	(b) Land Transfer Tax	11,504,900	12,000,000	(495,100)
47,862,600	50,341,200	2,478,600	Total R-1	50,341,200	50.700.000	(358,800)
			R-3 Other Revenue			
587,900	621,000	33,100	(a) Appeals Commission Cost Recovery	621,000	605,000	16,000
677,100	679,500	2,400	(b) Consumer Affairs Fees	679,500	640,700	38,800
758,400	777,300	18,900	(c) Insurance Act Fees	777,300	700,000	77,300
1,488,900	1,696,900	208,000	(d) Public Utilities Board Cost Recovery	1,696,900	1,564,400	132,500
4,158,200	4,476,900	318,700	(e) Securities and Real Est. Brokers Act Fees	4,476,900	3,000,000	1,476,900
231,000	244,000	13,000	(f) Trust and Loan Fees	244,000	269,000	(25,000)
214,800	2,000	(212,800)	(g) Sundry	2,000	2,000	
8,116,300	8,497,600	381,300	**Total R-3**	8,497,600	6,781,100	1,716,500
55,978,900	58,838,800	2,859,900	**Total Revenue**	58,838,800	57,481,100	1,357,700

Manitoba Consumer and Corporate Affairs

FIVE YEAR EXPENDITURE AND STAFFING SUMMARY BY APPROPRIATION ($000)

for years ending March 31, 1995 – March 31, 1999

	1994-95		1995-96		1996-97		1997-98		1998-99	
Appropriation	**FTE**	**$**	**FTE**	**$**	**FTE**	**$**	**FTE**	**$**	**FTE**	**$**
05-1 Administration & Finance	22.00	1,031.7	22.28	1,048.3	25.28	1,004.9	25.28	1,173.6	23.28	995.3
05-2 Consumer Affairs	85.00	4,662.3	85.00	4,791.2	86.00	4,758.0	84.00	4,830.9	84.00	4,889.2
05-3 Corporate Affairs	83.80	6,194.8	*241.80	14,041.3	207.73	11,665.2	49.73	3,855.7	50.73	3,849.4
TOTAL	190.80	11,888.8	*349.08	19,880.8	319.01	17,428.1	159.01	9,860.2	158.01	9,733.9

* Land Titles Office (140.50FTE) & Personal Property Registry (19.50FTE) transferred in from Justice for 95/96 adjusted vote. Vital Statistics became a Special Operating Agency on April 1, 1995 and the Property Registry became a Special Operating Agency April 1, 1997. Vital Statistics and the Property Registry are no longer reflected as voted appropriations in printed estimates.